

4/2/86

This lease is entered into between ATLANTIC RICHFIELD COMPANY, a Delaware corporation (LESSOR) and STEVEDORING SERVICES OF AMERICA, a California corporation (LESSEE).

1A. Subject to 1B below and the conditions herein, LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR real property in Seattle, King County, Washington as shown in the attached Exhibit A and referred to herein as "Premises".

1B. LESSOR reserves for itself, agents, employees and contractors an easement of ingress and egress across the Premises.

2. This lease shall commence April 1, 1986 and end February 28, 1987 inclusive, provided; however, either party may cancel after giving at least 60 days prior written notice to the other.

3. LESSEE may not assign this lease nor sublet all or any part of the Premises without LESSOR's prior written consent. Said consent shall not be unreasonably withheld.

4. LESSEE is aware of the hazardous nature of the Premises, accordingly LESSEE covenants;

A. That LESSEE will not allow open fires or grills:

SEP 14 1987

Superfund Branch

B. LESSEE's agents employees and licensees will not park vehicles on adjacent property of LESSOR;

C. LESSEE shall obey all laws and never allow a nuisance;

E. LESSEE shall keep the Premises in a safe, orderly and clean manner.

5. LESSEE shall use the Premises solely for the outside storage of cargo and sheet metal steel, piping and parking of trailers.

6. LESSOR shall have the right to inspect the Premises to insure compliance herein.

7. Rent shall be \$4,340.00 per month payable on the first day of each month. Rent shall be prorated for any fraction of a month.

8. Rent shall be sent to Atlantic Richfield Company, P. O. Box 99852, Marina Del Rey, California 90299.

USEPA SF



1175582

49132

PRP CODE #50
R 0004

9. If LESSEE fails to comply with any of the covenants herein and does not correct such failure 15 days after receiving from LESSOR written notice thereof, in addition to any remedy it may have LESSOR may:

- A. Cancel forthwith this lease and immediately take possession of the Premises; and/or
- B. At its option correct the same and LESSEE shall reimburse LESSOR the cost thereof as additional rent due the next rent date; and/or
- C. Hold LESSEE for all damages past and/ continuing

10. All notices shall be in writing and deemed effected when posted certified mail or personally delivered and addressed as follows:

TO LESSOR:

Atlantic Richfield Company
515 South Flower Street
Los Angeles, California 90071
Attention: K.T. Williams/J.A. Destazio-AP1838

TO LESSEE:

Stevedoring Services of America
3415 11th Avenue S.W.
Seattle, Washington 98134
Attention: Richard Wight

If there should be more than one LESSEE, notice to any one LESSEE shall be deemed notice to all LESSEES and for all purposes of this lease, each LESSEE is agent of all other LESSEES herein.

11. The failure of LESSOR to declare any default on the occurrence thereof or LESSOR's delay in taking any action in connection therewith shall not waive such default nor constitute a forgiving thereof.

12. LESSOR shall not be liable for any damage to LESSEE's property arising out of any condition or use of the Premises. LESSEE shall indemnify LESSOR from any loss, whatsoever, including collection and investigation costs and attorney's fees, resulting from a breach by LESSEE of any covenant herein or resulting from any act or omission, event or transaction relating to the occupancy or use of Premises; *

13. In the event the Premises are condemned so as to render them

totally unfit for LESSEE's use, this lease shall terminate and the Premises shall revert back to LESSOR as of the date the condemning authority receives possession. If a part of the Premises is condemned, but the balance is suitable ^{in Lessee's judgement} for LESSEE's use, at said date rent shall be reduced by a proportion equal to the proportion that the square footage area of the condemned bears to the total square footage area of such Premises. All condemnation awards applicable to LESSEE's own installed improvements or LESSEE's own personal property shall belong to LESSEE. All other condemnation awards shall belong to LESSOR.

14. LESSEE shall obtain all licenses, permits and whatever else is necessary to meet the requirement of any governmental agency for LESSEE's use of the Premises.

15. LESSEE shall provide and maintain liability insurance, insuring against any claims and liability arising out of any happening which in any way relates to the use and occupancy of the Premises. Such insurance shall be in the amount of not less than \$1,000,000 for bodily injury or death, \$1,000,000 because of damage or destruction of property, and maintain employers' workingman's compensation insurance. Insurance shall be from an insurer or insurers satisfactory to LESSOR and shall name LESSOR as co-beneficiary. The policy or policies shall provide that in the event of cancellation, 10 days prior written notice shall be given to LESSOR. If LESSEE should fail to provide the above insurance, LESSOR, may procure such insurance and LESSEE shall forthwith pay LESSOR the cost thereof as additional rent herein.

16. This lease shall not be binding upon LESSOR until signed by an authorized representative of LESSOR's Board of Directors at Los Angeles, California. LESSEE acknowledges that no promise or inducements have been made to LESSEE not included in this instrument. This contains the entire agreement herein and the parties have no obligation except as herein defined. This lease may not be amended except by written instructions signed by an authorized representative of the parties herein.

17. If LESSOR should sell the Premises, LESSEE shall attorn to the new owner(s) and look solely to the new owner(s) for performance of all LESSOR obligations hereunder arising after the transfer of title to said new owner(s).

DATED: 4/3/86

ATLANTIC RICHFIELD COMPANY

By D. J. McDonald WFO
Assistant Vice President

STEVEDORING SERVICES OF AMERICA

BY R. J. Light
GEN MGR T18

JAD/SEATL

SEATTLE TERMINAL
11th & 13th Avenues
SEATTLE, Washington

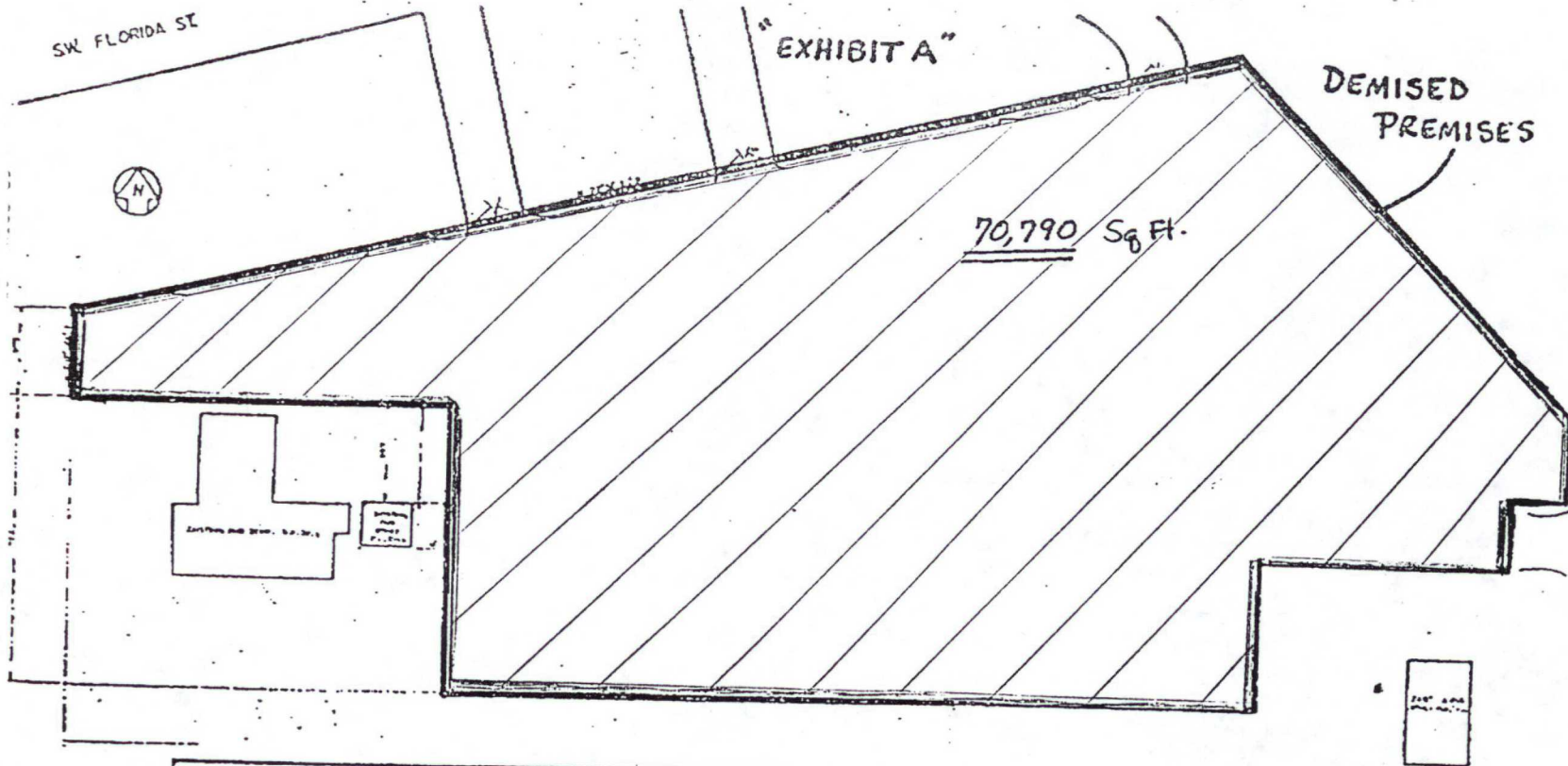


Exhibit "A"